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| ROUTING AND RECORD SHEET                              |          |           |           |   |  |  |
| SUBJECT: (Optional)                                   |          |           |           |   |  |  |
| Letter to Congressman Hamilton re Retirement          |          |           |           |   |  |  |
| FROM:   |          |           | EXTENSION | DDA 85-0197/9   |  |  |
| Harry E. Fitzwater Deputy Director for Administration |          |           |           | DATE  |  |  |
| 7 D 24 Hqs  |          |           |           | 25 February 1985  |  |  |
| TO: (Officer designation, room number, and building)  | DATE     |           | OFFICER'S | COMMENTS (Number each comment to show from whom         |  |  |
|   | RECEIVED | FORWARDED | INITIALS  | to whom. Draw a line across column after each comment.) |  |  |
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| DDCI  |          |           |           | This is the letter                                      |  |  |
| 2.  |          |           |           | i   |  |  |
| DDCI  |          | :         |           | I sent to Chairman                                      |  |  |
| 3.  |          |           |           | Hamilton in response                                    |  |  |
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| 4.  |          |           |           | to his request as                                       |  |  |
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22 FEB 1985

The Honorable Lee H. Hamilton Chairman House Permanent Select Committee on Intelligence U.S. House of Representatives Washington, D.C. 20515

Dear Mr. Chairman:

During your recent visit to the Central Intelligence Agency, you asked for some comments on personnel matters in this Agency. I am pleased to have an opportunity to discuss the work force which enables us to perform our unique mission.

Recognizing that CIA's job is different from the rest of the government, Congress historically has supported Agency efforts to recruit and retain career-oriented employees dedicated to the mission of this Agency and responsive to the demands security must impose on their professional and personal lives. Such a career service now exists. Attrition rates among the lowest in the government (2% for our professional employees) attest to a healthy career organization.

The creation of this work force did not happen overnight or by accident. It exists because Congress and a series of Administrations were sensitive to the needs of people who spend their professional lives in the intelligence shadows. The ethic of this work force, however, is not indestructible. Continued vigilance is necessary to ensure that our ability to meet our responsibilities is not only maintained but improved. The needs of national security demand nothing less.

To understand the personnel of CIA, it is first necessary to understand the system which produces a CIA employee, a system which in some ways is similar to other organizations but which in the aggregate is unique. CIA has the most rigorous pre-employment screening process in the United States. Nowhere else is each applicant subject to such continued scrutiny.

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A typical applicant first takes an eight-hour Agency-unique exam developed by the Office of Strategic Services in World War II and modified through the years by some of the best minds in the fields of education and psychology. This test provides insights into an applicant's intellectual capability, temperament, work attitudes, vocational interest, writing ability and psychological profile. Those who do well on the test, who have demonstrated high achievement either in their academic or professional careers, and who have favorable personal interviews are placed into the medical/security clearance procedure.

Employment by the Central Intelligence Agency carries with it extraordinary health risks. These risks are inherent both in geographic and socio-political environments to which employees are liable for assignment. Our medical screening must disqualify, for example, applicants known to be at increased risk for such things as cardiovascular, endocrine or gastro-intestinal disorders. The stresses involved in highly classified work and overseas environment require us to have an extraordinarily detailed psychiatric screening program for all applicants. We require not only that applicants themselves pass this medical screening, but for those in the overseas career track, dependents must be similarly cleared.

Our security/suitability screening is the most detailed in the United States Government. Every employee, from the highest to the lowest, is investigated by our own officers in a process that covers the last 15 years of an applicant's life. Again, dependent factors can be disqualifying for the applicant. When all the data is accumulated, we have a very thorough understanding of the applicant's entire life style. This data is validated during a polygraph interview given all applicants.

At the end of a three-year probationary period after being hired, the whole medical/security process is repeated. It is gratifying to note that 99% of our employees successfully complete this probationary review.

It is not surprising that we must consider large numbers of applicants to find the precious few who can meet these demanding standards. Despite enormous difficulties which may get worse year after year, we have attracted analysts, attorneys, doctors, case officers, engineers and scientists of the highest caliber. In FY-84 more new employees entered on duty than at any time in our recorded history. Recruitment, however, remains one of our principal priorities. It is a never-ending struggle which can only get more difficult as we compete in the marketplace with major U.S. industries for the best and the brightest.

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Entering on duty, the CIA employee becomes part of a world which is generally isolated, nomadic, idealistic, secretive and increasingly dangerous. In addition to those personal constraints common to the few in government who hold clearances at the CIA level, our employees must endure even more severe conditions. Every five years, they are subject to a full security reinvestigation. They have no job tenure. They may not travel abroad, publish articles, marry a non-U.S. citizen, or attend international conferences without advance Agency approval. They can receive no public recognition for their professional achievements but, on the contrary, must suffer in silence innumerable calumnies.

Mr. Chairman, lest this all sound too depressing, let me restate something I said earlier: our employees are professionals. They accept these hardships and stay with us because the work is necessary and they know historically that the Agency has protected their interests.

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25X1 25X1 I am sure you share with me a determination to ensure this Nation continues to enjoy the dedication of its intelligence professionals. Times change, society changes. Personnel systems must be dynamic and are dependent on legislative approvals. Perhaps we have been remiss in our responsibilities to seek or effect change and achieve equity with our colleagues in other services. Increasingly, our staff ponders these inequities and raises legitimate questions:

- -- Why, despite much heavier loss of life in the line of duty, do we not enjoy a retirement accrual rate equal to that given law enforcement agencies and fire fighters in the federal system?
- -- Why is our pay slowly sliding behind our colleagues in the military? Are we not equally important elements in our national defense and the vanguard of our security forces?

| Why must          | we pay higher premiums | for our family's health |
|-------------------|------------------------|-------------------------|
| insurance protect |                        |                         |
|                   |                        |                         |
|                   |                        |                         |

-- Even in retirement after a lifetime of loyal service, we find ourselves penalized by virtue of the necessity to observe the disciplines of cover with implicit economic penalties involved. Should this inequity be recognized through some form of compensation?

I am confident, Mr. Chairman, that jointly we can provide satisfactory answers to these and similar questions. Since you asked me specifically what your committee might do to support the career system and enable the Agency to better achieve its mission, I offer the following thoughts:

First, awareness. It will mean a great deal to our employees to know that your committee is aware of the obligations that the needs of the Nation place on those serving with the Central Intelligence Agency. The unique demands placed on our people by our mission justify unique solutions. The Intelligence Community is not a homogenous body. Each organization has its discrete problems and discrete solutions.

Secondly, the retirement issue overrides all other present concerns. Precipitous change risks not only losing the currently serving skilled staff but, even more ominous, risks making our recruitment problems insurmountable. Intelligence, particularly in its overseas form, is an extremely demanding profession. Burnout for employees and their families is a reality. The existing retirement programs at Central Intelligence are the foundation on which the personnel system has been built. Any changes will have to be very carefully considered to ensure that potential repercussions are fully understood. This is a very complicated subject, Mr. Chairman, and the only thing I would ask

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at this stage is that any proposed modifications of existing retirement systems that affect the Central Intelligence Agency receive adequate hearings before your committee. I am confident that jointly we can achieve our shared goals.

Thank you, Mr. Chairman, for the opportunity you have given me to discuss the vital issues of personnel at the Central Intelligence Agency.

Sincerely,

E. Fitzwater

Harry E. Fitzwater
Deputy Director
for
Administration

D/OP/RWMagee:rj (19 Feb 85) Rewritten/DDA/HEFitzwater:cn (21 Feb 85)

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